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America's Fiber Network

Providing fiber capacity where it's needed most

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June 28, 2000

Mr. William E. Kennard
Chairman
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

RE: *Notice of Inquiry, Second Report on Advanced Telecommunications Capability* -- CC Docket 98-146

Dear Chairman Kennard:

AFN is a super-regional fiber provider that was recently formed by six energy and telecommunications companies to facilitate the provision of telecommunications services, including advanced services, to underserved markets. Due to its recent formation, AFN was not able to participate in the comment process established by the Commission's Second Notice of Inquiry on Advanced Telecommunications Capability (rel. Feb. 18, 2000)("*Second Notice of Inquiry*") in a timely manner. Consequently, AFN submits this letter to better inform the Commission of how the company's activities are accelerating the deployment of advanced telecommunications capabilities, and how the Commission can assist AFN and other similarly situated companies in achieving this goal.

Introduction

AFN is a regional fiber optics company with a network of more than 7,000 route miles, or 140,000 fiber miles, connecting major markets in the eastern United States to secondary markets with a growing need for broadband access. AFN's partners are AEP Communications, a subsidiary of American Electric Power; GPU Telcom, a subsidiary of GPU, Inc.; Allegheny Communications Connect, a subsidiary of Allegheny Energy, Inc.; FirstEnergy Telecom, a subsidiary of FirstEnergy Corp.; CFW Communications; and R&B Communications. While some broadband companies are focusing solely on connecting Tier 1 markets and others are focusing only on smaller regions, AFN is taking a super-regional approach -- reaching Tier 1 markets and connecting them to underserved markets in Tier 2 and Tier 3 cities.

AFN plans to serve as a "carrier's carrier," providing wholesale telecommunications capacity to Internet service providers, competitive local exchange carriers, interexchange carriers and wireless communications companies. The initial footprint of fiber in AFN's network puts the company in a position to reach cities responsible for roughly 35 percent of the national wholesale communications capacity market, including New York City, Albany, Syracuse, Rochester, Buffalo, Lancaster, Erie, Reading, Cleveland, Akron, Detroit, Indianapolis, Cincinnati, Louisville, Charleston, Roanoke, Charlottesville, Washington, Baltimore and Philadelphia. *See* AFN map, attached hereto as Exhibit A. Customers that are already under contract with AFN include many of the nation's leading telecommunications companies.

By fourth quarter 2000, AFN expects to expand its high-speed fiber optic cable network to 10,000 route miles or 200,000 fiber miles. AFN will reach this capacity by adding companies with existing fiber, installing new fiber in areas of opportunity, and acquiring existing fiber from others, including through long-term lease agreements with third party fiber providers.

With this plan, AFN is well situated to bridge the "digital divide" that Congress, the White House and this Commission have made a priority, bringing residents and businesses in these underserved markets the same high-speed data and information access as that received in major markets across the country. The Commission can assist AFN and others in bridging this telecommunications gap to bring advanced capabilities to all Americans, as mandated by Section 706 of the Telecommunications Act of 1996 (the "Act").

Discussion

Section 706 of the Act requires the Commission to inquire whether advanced telecommunications capabilities are being deployed in a "reasonable and timely fashion," and if not, to "take immediate action to accelerate deployment of such capabilit[ies] by removing barriers to infrastructure investment and by promoting competition in the telecommunications market." 47 U.S.C. § 706(b). The *Second Notice of Inquiry* invites comment on what actions the Commission could take to accelerate such deployment. *See Second Notice of Inquiry* at ¶ 42. AFN submits this letter to advise the Commission on certain actions that can be taken to achieve this goal.

Delays in Obtaining ILEC Connectivity Hinders the Deployment of Advanced Telecommunications Capability in Underserved Areas

As discussed above, AFN is building out a super-regional, high-speed fiber network that will connect Tier 1 markets with underserved areas in Tier 2 and Tier 3 cities. Many other providers have chosen instead to cherry pick the largest areas in the Tier 1 or NFL cities. AFN wants to fill the void that has been created by these providers by focusing deployment of its robust backbone outside of these top markets.

Although AFN has built its own interstate, high-speed backbone, which will be used by other competitive providers as an alternative to incumbent networks, AFN still requires transport to carry traffic from its network to its customers, particular regional Internet Service Providers providing Internet access to rural communities. Specifically, AFN, as a long-haul carrier, must rely upon the incumbent's facilities to carry traffic from AFN's points of presence to its ISP customers, whose traffic is typically terminated on ILEC networks. Provisioning this enduser connectivity through incumbent providers, however, has served to delay the competitive provision of high speed Internet access services.

In AFN's experience, in any given rural market, it has taken anywhere from *six to nine months* to secure the necessary ILEC connectivity to begin transporting traffic into a local community. These substantial delays stand as a significant obstacle to obtaining access to the necessary facilities to bridge the digital divide. While AFN and others may be providing the facilities and backbone that will bring traffic into a rural or underserved area, without the timely deployment of transport facilities into these local communities, true high speed access in rural America may prove elusive. While there are currently alternatives to the required ILEC connectivity in the top markets through traditional competitive access services, there are typically no alternatives to ILEC transport services in the more rural areas that AFN is serving. Consequently, the lack of a competitive market for local access services in rural areas, and delays in the deployment of access facilities by incumbents, stand as a serious impediment to the deployment of broadband connectivity to underserved and rural markets.

Accordingly, the Commission should use this opportunity, and its authority pursuant to Section 706, to examine ways to speed the deployment of access facilities by incumbents in rural markets, as well as ways to encourage the deployment of competitive access services in these markets, generally.

Respectfully submitted,

America's Fiber Network, LLC

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EXHIBIT A

America's Fiber Network